

CENTRAL INTELLIGENCE AGENCY



Washington, D.C. 20505

✓ Retirement Budget
purposes only
Policy File

21 March 1986

Mr. James M. Frey
Assistant Director for
Legislative Reference
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Frey:

This is in response to your request for the Agency's views on the Office of Personnel Management (OPM) draft bill to reform the existing Civil Service Retirement System (CSRS).

In reviewing the draft bill we find it substantively similar to last year's proposal. Thus, our response remains as that provided last year in the two letters to the Director, Office of Management and Budget from the Director of Central Intelligence (DCI). For your convenience and reference, I have attached both of these letters dated 11 and 18 March 1985.

Essentially, the Agency uses its retirement systems as a vital management tool to ensure that we recruit, retain, and manage the young vigorous cadre that is necessary to meet the time and pressure sensitive demands of our foreign intelligence mission. Retention of retirement at age 50 for those officers qualifying for CIA Retirement and Disability System (CIARDS) participation is essential. We are pleased to see that the OPM bill recognizes the necessity for maintaining the CIARDS retirement age at 50, with unreduced benefits.

At the same time, we continue to maintain that the CSRS retirement age of 55 with unreduced benefits should continue to be applicable to our non-CIARDS type employees. As stated by the DCI in last year's correspondence, the special requirements and mission of the CIA involve all of its employees in a number of ways unique to the Government. The Congress mandated special status for CIA employees and its impact on all in the CIA is the basis for a personnel system different than any other Agency... from recruitment to retirement. While a five-year difference in retirement age between those in CIARDS and those in CSRS is manageable, a twelve-year difference would be severely damaging

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to our ability to meet our personnel requirements and to fulfill our mission. Such a situation would shatter the existing Agency culture and risk paralyzing a work force, which to be effective, must be treated equitably if we are to maintain our security and cover commitments.

We, therefore, urge that all CIA employees should be included in the special groups exempted from the provision imposing penalties for early retirement.

Sincerely,

[Redacted Signature]

David D. Gries
Director, Office of Congressional Affairs

Enclosures

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